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1983
COMMITTEE
on
TAXATION

LEGISLATIVE
SUMMARY

GOVERNMENT DOCUMENTS
COLLECTION

AUG 10 1987

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Senator John W. Olver, Senate Chairman

Representative Richard T. Moore, House Chairman

MEMBERS OF JOINT COMMITTEE ON TAXATION

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Paul V. Doane

*Representative Charles F. Flaherty, Jr. served as House Chairman from January 13, 1983 to October 25, 1983. Representative Moore was appointed as Chairman on December 13, 1983.

LEGISLATIVE COMMITTEE WORKLOADS

1983

NUMBER
of
PETITIONS

• 1146 Taxation

1100

1000

• 930 Judiciary

900

800

700

• 710 Public Service

600

500

• 496 Commerce & Labor

• 492 Government Regulations

• 440 Natural Resources & Agriculture

• 425 State Administration

• 420 Human Services & Elder Affairs

400

• 374 Public Safety

• 358 Health Care

300

• 303 Education

• 300 Housing & Urban Development

• 291 Criminal Justice

• 275 Insurance

• 267 Local Affairs

• 263 Transportation

• 252 Election Laws

• 248 Joint Rules

200

• 164 Banks & Banking

• 157 Joint Counties

100

• 84 Energy

• 44 Federal Financial Assistance

CHAPTER 11 (P.1)	Estimated Tax bills
CHAPTER 12 (P.2)	Dates of Annual Meetings & Submission of Budgets
CHAPTER 20 (P.3)	Funding Everetts' Outstanding Judgements
CHAPTER 21 (P.3)	Minimum Gasoline Excise Tax
CHAPTER 25 (P.4)	Proration of Boat Excise Tax
CHAPTER 72 (P.4)	Corrective Changes in Local Taxation status
CHAPTER 79 (P.4)	Triannual Recertification
CHAPTER 141 (P.5)	Brocktons' deferral of school aid reimbursement of overpayment
CHAPTER 146 (P.6)	Fines for non-licensed diesel fueled commercial vehicles
CHAPTER 164 (P.6)	Abington's certified levy limit
CHAPTER 189 (P.6)	Tax Collector's Fees
CHAPTER 227 (P.7)	Assessed Value as Evidence of Fair Market Value
CHAPTER 232	Museum of Fine Arts Tax exemption
CHAPTER 233 (P.8 - 16)	"REAP"
CHAPTER 244 (P.17)	Non political municipal information
CHAPTER 262 (P.17)	Abatement of Betterment Assessments in Northampton
CHAPTER 276 (P.17)	Income of Congregational Church in Becket

CHAPTER 278 (P.18)	Filing of Federal Tax Liens
CHAPTER 289 (P.18)	State Budget (Tax Commission, Local Aid Commission, Computer Assisted Mass Appraisal)
CHAPTER 319 (P.19)	Extension for Gloucester to consider tax abatements
CHAPTER 330 (P.19)	Non-game Wildlife check-off
CHAPTER 332 (P.19)	Municipal Lien Certificates
CHAPTER 405 (P.20)	establishing the town of Arlington scholarship fund.
CHAPTER 416 (P.20)	relative to the assessment of property tax in the town of spencer
CHAPTER 464 (P.20)	relative to the assessment of property taxes in the town of Tisbury.
CHAPTER 466 (P.21)	Authorizing an additional time period for the city of Boston to add omitted property to the tax list for fiscal year nineteen hundred and eighty-three.
Chapter 468 (P.21)	authorizing an additional time period for the city of Boston to act on tax abatements for fiscal year nineteen hundred and eighty-four.
CHAPTER 489 (P.21)	authorizing estimated tax payments for the city of Malden for the first half of fiscal year nineteen hundred and eighty four
CHAPTER 518 (P.22)	extending the time available for certain residential tax credit for renewable energy systems.
CHAPTER 528 (P.22)	relative to the alleviation of certain financial burdens imposed on the city known as the town of Methuen by the flooding of the merrimack river on March twentieth through March twenty third, nineteen hundred and eighty-three
CHAPTER 529 (P.22)	authorizing an additional time period for the town of Orleans to add omitted property to the tax list for the fiscal year nineteen hundred and eithty-three.

CHAPTER 540 (P.23)	further regulating the operation of the Massachusetts turnpike authority.
CHAPTER 579 (P.23)	validating certain actions taken by the Charlemont sewer district
CHAPTER 580 (P.23)	authorizing an additional time period for the town of N. Attleborough to add omitted property to the tax list for fiscal year nineteen hundred and eighty-three.
CHAPTER 611 (P.24)	providing for a tax expenditure budget
CHAPTER 639 (P.24)	authorizing the town of Holden to permit the late submission of an application for statutory deferral of a certain betterment assessment
CHAPTER 640 (P.25)	authorizing the town of Holden to permit the late submission of an application for statutory deferral of a certain betterment assessment.
CHAPTER 641 (P.25)	further regulating the assessment of taxes in cities and towns.
CHAPTER 644 (P.26)	authorizing an additional time period for the town of Warwick to add omitted property to the tax list for fiscal year nineteen hundred and eighty-three.
CHAPTER 669 (P. 26)	establishing the Nantucket Island land bank
CHAPTER 670 (P. 27)	further regulating real estate tax exemptions of houses of worship
CHAPTER 674 (P. 27)	relative to the procedure for recording or filing federal tax liens on personal property
CHAPTER 681 (P. 27)	relative to the taxation of concrete mixing units
CHAPTER 693 (P. 28)	relative to funding for the organ donations
CHAPTER 709 (P. 28)	further regulating the assessment of certain farmland.
CHAPTER 719 (P.29)	further regulating the Urban Jobs Incentive Bureau

Chapter 11 AN ACT AUTHORIZING ESTIMATED TAX PAYMENTS
(H.5852) IN CERTAIN CITIES AND TOWNS.

This chapter authorizes cities or towns undertaking a general revaluation scheduled for completion prior to February, 1984 to send out estimated tax bills for fiscal year 1984 not to exceed fifty percent of the tax payable during the preceding fiscal year. "Estimated Tax Bills" can be greater than fifty percent of the previous year's bill as a result of the loss of an exemption from tax, that had been granted in the past. Communities must meet conditions established by the Commissioner of Revenue. These tax bills have the full force of law. Any remedies or exemptions applicable from the date that the tax bill is issued, shall be resolved, once the tax rate is certified.

Approved March 24, 1983

Chapter 12 AN ACT RELATIVE TO THE DATES FOR ANNUAL
(H.5855) TOWN MEETING AND SUBMISSION OF BUDGETS IN
 CITIES IN THE YEARS NINETEEN HUNDRED AND
 EIGHTY-THREE.

This chapter authorizes Town Councils or Boards of Selectmen to postpone this year's town meeting to June 30th. The requirement for Regional School Committees to adopt FY 1983 budgets 45 days prior to the earliest town meeting of any member town is alleviated.

Furthermore, mayors (except Boston) are allowed an additional 30 days in which to submit their annual budgets. This extension of time allows mayors a total of 120 days in which to prepare the annual budget. The City Councils also have an extended 30 day period of time in which to act of the budget. In recent years, the Legislature has routinely granted this extension.

This chapter originated in the Committee on Local Affairs.

Approved March 24, 1983

Chapter 20 AN ACT RELATIVE TO FUNDING OUTSTANDING JUDGEMENTS
(H.5911) AGAINST THE CITY OF EVERETT.

This chapter allows the City of Everett to exclude from its FY 83 budget an amount not to exceed \$630,000. Fifty percent of this amount will be included in the FY 84 budget and, the remainder in the FY 85 budget.

Approved & Effective March 29, 1983

Chapter 21 AN ACT RELATIVE TO THE GASOLINE EXCISE TAX.
(H5902,
amended)

For the past few years, the excise on gasoline has been 10% of the average wholesale price per gallon, established quarterly by the commissioner of Revenue.

Since the price of fuel has been falling, the revenue collections have dropped dramatically. This chapter puts a floor on the excise at eleven cents per gallon, beginning April 1, 1983, thereby protecting anticipated and necessary revenues.

Approved March 29, 1983

Chapter 25 AN ACT FURTHER REGULATING THE PRORATION OF
(H.279) CERTAIN BOAT EXCISE TAXES.

This chapter allows assessors to determine abatements of a boat's excise by prorating the amount of abatement on a monthly basis. Previously, assessors had to determine the abatement due based on the number of calendar days which remained on the boats' registration.

Approved March 31, 1983

Chapter 72 AN ACT FURTHER REGULATING LOCAL TAXATION
(H.274 changed and amended)

This chapter seeks to correct a number of statutory deficiencies in tax laws applicable to local taxation resulting from prior amendments or changes in such laws that have affected other administrative provisions. No substantive change in the laws result.

Approved April 29, 1983

Chapter 79 AN ACT RELATIVE TO THE TIME PERIOD FOR TAX
(H.5975) RECERTIFICATION OF LOCAL PROPERTY TAX VALUATION.

This chapter requires the Commissioner to triannually certify that assessors are assessing property at full and fair cash valuation. Previously, this revaluation had to be done every two years.

Approved April 29, 1983

Chapter 141 AN ACT PROVIDING FOR THE DEFERRAL OF REPAYMENT
(S.1917) BY THE CITY OF BROCKTON TO THE COMMONWEALTH
FOR OVERPAYMENTS MADE FOR SCHOOL AID FUNDS
DISTRIBUTION BY THE DEPARTMENT OF EDUCATION
FOR THE FISCAL YEAR NINETEEN HUNDRED AND
EIGHTY-TWO.

This chapter allows the city of Brockton to adopt a seven year repayment plan to reimburse the state for overpayment of school aid distribution amounting to \$1,491,538. This plan will be implemented, rather than having this amount withheld in one lump sum from the city of Brockton by the department of revenue.

Approved May 31, 1983

Chapter 146 AN ACT RELATIVE TO MOTOR VEHICLES PROPELLED
(H.6205) BY SPECIAL FUELS

Section 1 adds a \$100 fine for operating a diesel fueled commercial vehicle without a license in Massachusetts, and allows such fine to be paid without requiring a court appearance by the operator, at his/her option. Section 2 adds a penalty of up to \$1000 and/or 1 year imprisonment for violations of chapter 64E (Special Fuels) for which no other penalty is specified.

This chapter originated in the Committee on the Judiciary.

Approved May 31, 1983

Chapter 164 AN ACT RELATIVE TO THE ASSESSMENT OF PROPERTY
(S.2006) TAXES IN THE TOWN OF ABINGTON.

This chapter allows the town of Abington to determine its fiscal year 1984 levy limit based on 102.5% of its fiscal year 1982 certified levy limit, provided that the total taxes assessed shall not exceed 2 1/2% of the full and fair cash valuation of the town.

Approved June 9, 1983

Chapter 189 AN ACT RELATIVE TO CERTAIN FEES CHARGED BY
(H.5645) COLLECTORS OF TAXES.

This chapter increases by two dollars fees charged by collectors of taxes for sending notices of delinquent taxes and for exhibiting a warrant to collect to a delinquent taxpayer.

Approved June 17, 1983

Chapter 227 AN ACT RELATIVE TO THE INTRODUCTION OF ASSESSED
(H.6400) VALUE AS EVIDENCE OF FAIR MARKET VALUE IN
 CERTAIN EMINENT DOMAIN CASES

Prior law allowed the introduction of assessed valuation for the 3 preceding years as evidence of value for eminent domain takings, if there had been a revaluation done within 5 years prior to the 3 year period (ie - between 3 and 8 years before the taking). New law will require such revaluation within the 5 years preceding the taking and will specify that the values introduced resulted from such revaluation.

Approved June 30, 1983

Chapter 232 AN ACT PROVIDING FOR THE ELIGIBILITY OF THE
(H.6466) MUSEUM OF FINE ARTS FOR PROPERTY TAX EXEMPTION
AND APPLICATION FOR ABATEMENT OF TAXES ASSESSED
OR PAID FOR THE TAXABLE YEARS DURING THE
PERIOD OF JANUARY FIRST, NINETEEN HUNDRED
AND EIGHTY- THREE AND ENDING JUNE THIRTIETH,
NINETEEN HUNDRED AND EIGHTY-FOUR.

This chapter provides for an extension of time until September 1, 1983, for the Museum of Fine Arts to file a list of its property with the assessors in order to be eligible for a property tax exemption, which it would have been eligible for in any case, had it not missed the earlier filing date.

Approved July 1, 1983

Chapter 233 AN ACT TO PROVIDE FOR A REVENUE ENFORCEMENT
(H.6440) AND PROTECTION PROGRAM FOR THE COMMONWEALTH.

This chapter, commonly referred to as "REAP", sets out to establish stricter tax compliance, close tax loopholes, protect and enhance existing tax revenue, and update the Massachusetts income tax to many recent changes in the Federal income tax code, while disallowing certain others.

A brief sectional reference follows.

R.E.A.P. - c. 233 of 1983

Brief Sectional Summary

<u>Section</u>	<u>Explanation</u>	<u>Effective Date</u>
1.	Advanced assessment of M.V. Insurance Merit Board costs on insurance companies.	7-1-83
2.	New Rate Setting Commission assessment on hospitals: a) exemption for municipal hospitals b) state costs must be covered for rate setting c) provision for hospitals with different FY.	7-1-83
3.	Limits UJIB tax benefits to facilities completed prior to 6/30/85.	1-1-84
4.	Assures continued qualification as an "eligible section of substantial poverty" during the 10 year period of any UJIB credit.	1-1-84
5.	Advanced assessment of DPU administrative costs on utility companies.	7-1-83
6.	Advanced assessment of rating bureau costs on insurance companies.	7-1-83
7.	Advanced assessment of AG costs related to rate setting on insurance companies.	7-1-83
8.	Allows copies of voter registration forms to be sent to DOR and RMV.	7-1-83
9.	Requires local officials to make copies of voter registration forms available to DOR and RMV.	7-1-83
10.	Requires DOR to use information from voter registration form in tax investigations and to send lists to the RMV.	7-1-83

<u>Section</u>	<u>Explanation</u>	<u>Effective Date</u>
11.	Updates income tax reference to federal code to 2/1/83.	1-1-83
12.	Disallows federal exclusion of interest from "all savers" accounts and new federal net-interest exclusion.	1-1-83
13.	Disallows federal exclusion of reinvested public utility dividends.	1-1-83
14.	Reduces capital gain deduction from 60% to 50%, thus increasing effective tax rate from 4.3% to 5.375%.	1-1-83
15.	Disallows federal two-earner married couple deduction.	1-1-83
16.	Disallows federal deduction for legislator's expenses.	1-1-83
17.	Limits deductions for contributions to Social Security, Railroad Retirement, or governmental pension plans to \$2000 per taxpayer per year.	1-1-83
18.	Same as s. 17 above.	1-1-83
19.	Updates Mass. child care deduction to reflect 1981 Federal changes. Increase from \$2000/\$4000 to \$2400/\$4800.	1-1-83
20.	Increases personal exemption for non-working spouses from \$800 to \$1000.	1-1-83
21.	Increases limits for no-tax status for 1984 from \$3000/\$5000 to \$3600/\$6100.	1-1-84
22.	Increases limits for no-tax status for 1985 from \$3600/\$6100 to \$4400/\$7200.	1-1-85
23.	Increases limits for no-tax status for 1986 and thereafter from \$4400/\$7200 to \$5000/\$8300.	1-1-86

<u>Section</u>	<u>Explanation</u>	<u>Effective Date</u>
24.	Subjects Massachusetts' gambling and lottery winnings of non-residents to income tax.	1-1-83
25.	Eliminates \$4/\$8 low income tax credit.	1-1-84
26.	Requires Mass. withholding on pensions when taxpayer chooses to allow federal withholding.	1-1-83
27.	Requires 5% withholding on gambling winnings (except horse and dog racing) which are subject to federal withholding (generally, winnings over \$5000).	7-1-83
28.	Strenghtens DOR oversight powers re number of dependents claimed.	7-1-83
29.	Repeals current law re withholding penalties.	7-1-83
30.	Adds new law on withholding penalty re employees.	7-1-83
31.	Requires 3.5% withholding on state and local personal service contractors (except certain health care vendors).	1-1-84
32.	Requires 18% interest on underpayment of estimated personal income taxes.	7-1-83
33.	Updates tax administration reference to federal code to 7-1-83.	1-1-83
34.	Requires 18% interest on overdue taxes.	1-1-83
35.	Sets out procedures for suspension or revocation of certain licenses for tax crimes.	1-1-83
36.	Sets out requirements for non-issuance or non-renewal of certain licenses and contracts for tax crimes.	1-1-83
37.	Sets out a 10 year statute of limitation on the collection of taxes.	1-1-85

<u>Section</u>	<u>Explanation</u>	<u>Effective Date</u>
38.	Allows DOR to contract with other states for the mutual collection of the other state's sales and use taxes.	7-1-83
39.	Specifically allows DOR to change procedures for issuance of sales tax exemption certificates if needed.	7-1-83
40.	Clarifies definition of "person" for tax crime penalties.	7-1-83
41.	Sets out new, stiffer criminal penalties for tax law violations.	7-1-83
42.	Deletes 50 mile limit for mortgage deduction for savings banks and specifically includes federally chartered savings banks under the tax system.	11-1-82
43.	Limits use of corporate tax credits so pre-credit tax due cannot be reduced more than 50%; also allows unlimited carry forward of unused credits.	1-1-83
44.	Allows DOR to create new apportionment methods for any type of industry group.	12-31-83 (tax years ending on or after)
45.	Subjects utilities to a 3 factor apportionment formula.	12-31-83 (tax years ending on or after)
46.	Requires 18% interest on underpayment of estimated corporate taxes.	7-1-83
47.	Raises cigarette excise tax from 21¢ per pack to 26¢.	7-11-83
48.	Transfers power to sell seized illegal cigarettes from Public Safety to DOR.	7-1-83
49.	Increases penalties for illegal cigarette sales.	7-1-83

<u>Section</u>	<u>Explanation</u>	<u>Effective Date</u>
50.	Increases penalties for illegal transportation of cigarettes.	7-1-83
51.	Expands DOR police powers re seizure and sale of illegal cigarettes.	7-1-83
52.	Limits effective period of certificate of exemption from sales tax to 5 years.	7-1-83
53.	Exempts certain gifts of scientific equipment from sales tax.	1-1-83
54.	Repeals old law re penalty for misuse of sales tax certificates (see s. 41 for new law).	7-1-83
54A.	Repeals old law re penalty for misuse of sales tax certificates (see s. 41 for new law).	7-1-83
55.	Requires harbormasters to report on non-Mass. boats moored in Mass. waters.	7-1-83
56.	Repeals old law re penalty for misuse of use tax certificates (see s. 41 for new law).	7-1-83
57.	Repeals old law re penalty for misuse of use tax certificates (see s. 41 for new law).	7-1-83
58.	Imposes partial sponge tax on generation-skipping transfers.	7-1-83
59.	Dissolves Motor Vehicle Inspection Fund and transfers money to Highway Fund.	6-30-83
60.	Doubles speeding fines.	9-1-83
61.	Repeals certain prior speeding fines.	9-1-83
62.	Increases RMV surcharge on unpaid parking tickets and requires 2 such tickets prior to license/registration revocation.	9-1-83
63.	Same as s. 62 for Boston and Cambridge.	9-1-83
64.	Requires bottlers and distributors to make monthly reports on bottle deposits.	7-1-83

<u>Section</u>	<u>Explanation</u>	<u>Effective Date</u>
65.	Adds costs of fringe benefits to charges made by the Racing Commission.	7-1-83
66.	Sets Unemployment Insurance tax rate at Schedule D for CY 1984.	1-1-84
67.	Adds new excise on wages for CY 1984 and and deposits all receipts therefrom into new, separate Economic Development Fund.	1-1-84
67A.	Repeals section 67 of this act.	1-1-85
68.	Establishes the Economic Development Fund, specifies the use of monies from said fund, and requires annual reports on U.I. Trust Fund from DES.	7-1-83
69.	Advanced assessment of costs re Energy Facilities Siting Council on electric and gas companies.	7-1-83
70.	New assessment on banks for costs of the Commissioner of Banks office.	7-1-83
71.	New assessment on domestic insurance companies for the cost of audits.	7-1-83
72.	Advanced assessment of Mass. Firefighters Academy costs on insurance companies.	7-1-83
73.	Clarifies present law re abandoned intangible personal property.	6-30-83
74.	Requires courts to consider health insurance coverage in all alimony orders.	7-1-83
75.	Requires courts to consider health insurance coverage in all maintenance orders.	7-1-83
76.	Requires orders for support of a spouse and child to include health insurance.	7-1-83
77.	Requires alimony to include health insurance.	7-1-83

<u>Section</u>	<u>Explanation</u>	<u>Effective Date</u>
78.	Requires pending wage assignment orders to insure alimony and child support payments.	7-1-83
79.	Requires health insurance in payments of maintenance and support.	7-1-83
80.	Requires pending wage assignment orders to insure payment of support orders.	7-1-83
81.	Requires payor of maintenance to include health insurance.	7-1-83
82.	Establishes a penalty for impersonating a revenue officer.	7-1-83
83.	Requires court to consider health insurance coverage in all maintenance orders.	7-1-83
84.	Requires support payments to include health insurance and requires pending wage assignment orders to insure payments of such orders.	7-1-83
85.	Requires support payments to include health insurance and requires pending wage assignment orders to insure payment of such orders.	7-1-83
86.	Earmarks increased revenues from new speeding fines (see s.60) for Highway Fund.	9-1-83
87.	Increases RMV surcharge on unpaid parking tickets and requires 2 such tickets prior to license/registration revocation in Boston.	9-1-83
88.	Advanced assessments of Medical Malpractice Insurance Commission costs on insurance companies.	7-1-83
89.	Advanced assessments of E.O.E.R. and D.P.U. costs on utility companies.	7-1-83
90.	Prohibits use of U.I. taxes for DES administrative costs related to new wage excise (see s. 67).	7-1-83

<u>Section</u>	<u>Explanation</u>	<u>Effective Date</u>
91.	Commissioner of Revenue to make quarterly reports on revenue effects of REAP.	7-1-83
92.	RMV surcharge on parking fines which are collected by municipalities to be collected by the State Treasurer.	9-1-83
93.	Authorizes evening and weekend rental of most state owned parking facilities.	7-1-83
94.	Limits new 18% interest rate on overdue taxes to prospective use.	7-1-83
95.	Levies floor tax on cigarette inventory in state as of July 11, 1983.	7-1-83
96.	Authorizes private collection of overdue DPH charges, but only if payor is a third-party and only after proper notice and demand. Contractors to be selected from public bids.	7-1-83
97.	Authorizes private collection of overdue DMH charges, but only if payor is a third-party and only after proper notice and demand. Contractors to be selected from public bids.	7-1-83
98.	Authorizes a 3 month amnesty period for tax delinquents during FY 1984.	7-1-83
99.	Authorizes private collections of overdue taxes, but only after proper notice. Contractors to be selected from public bids. Report on program required. Program to end September 15, 1985.	7-1-83
100.	Commissioner authorized to compromise tax liabilities. Specific requirements set out. Agreements open to public inspection. Annual report on program required. Program to end September 15, 1985.	7-1-83
101.	Effective dates.	

Chapter 244 AN ACT FURTHER REGULATING THE FORM OF
(S.1145) PROPERTY TAX BILLS

This chapter allows nonpolitical municipal information to be mailed to taxpayers along with their tax bills, so long as the additional material does not increase the postage costs.

Approved July 7, 1983

Chapter 262 AN ACT PROVIDING FOR THE ABATEMENT OF
(H.2840) INTEREST PAYABLE ON CERTAIN BETTERMENT
ASSESSMENTS IN THE CITY OF NORTHAMPTON

This chapter authorizes the assessors in the city of Northampton to grant abatements of interest on certain betterments made in the city.

Currently, owners of certain frontage property are paying twice for improvements as part of a renewal project.

Approved July 11, 1983

Chapter 276 AN ACT INCREASING THE AMOUNT OF INCOME
(S.1901) WHICH MAY BE DERIVED FROM THE REAL AND
PERSONAL PROPERTY HELD BY THE FIRST
CONGREGATIONAL SOCIETY IN THE TOWN OF BECKET.

This chapter allows the First Congregational Society in the town of Becket to earn income from real and personal property not to exceed \$10,000 annually.

Approved July 13, 1983

Chapter 278

(H.3380)

AN ACT MAKING UNIFORM THE PROCEDURE
FOR RECORDING OR FILING FEDERAL TAX LIENS
ON REAL AND PERSONAL PROPERTY.

This chapter rewrites an entire section of Chapter 36 of the General Laws relative to notice and recording of federal tax liens.

Approved July 13, 1983

Chapter 289

(H.6500)

STATE BUDGET FOR FISCAL YEAR 1984.

Line item 0185-7803 provides for \$50,000 in funding for a Local Aid Commission.

Line item 0185-7822 provides for \$300,000 in funding for a Special Commission to study the tax structure in Massachusetts. The Commission will have fifteen members consisting of three Senators, five Representatives, and seven persons appointed by the governor. The Budgets outside section 82A details the Special Commission's mandate.

Line item 1201-0100 provides for the establishment of new positions in the Department of Revenue.

Line item 1211-0101 provides for \$400,000 in funding for the implementation of a Computer Assisted Mass Appraisal System to aid cities and towns in updating property tax assessments.

Approved July 15, 1983

Chapter 319 AN ACT AUTHORIZING THE CITY OF GLOUCESTER
(S.1848) AN ADDITIONAL TIME PERIOD TO ACT ON CERTAIN
TAX ABATEMENTS.

This chapter extends the time for assessors in Gloucester to consider applications for property tax abatements for a period of five months from the effective date of this act.

Approved July 26, 1983

Chapter 330 AN ACT RELATIVE TO FUNDING FOR NONGAME
(H.5997) WILDLIFE PROGRAMS IN THE COMMONWEALTH

This chapter establishes a special Nongame Wildlife Fund and provides for the opportunity for Massachusetts taxpayers to make contributions to this Fund on their state income tax returns. This "Nongame Wildlife check-off" will begin with the 1983 calendar tax year.

This Chapter originated in the Committee on Natural Resources and Agriculture.

Approved July 26, 1983

Chapter 332 AN ACT FURTHER REGULATING THE PREPARATION
(H.6539) OF MUNICIPAL LIEN CERTIFICATES

This chapter increases the time for preparation of municipal lien certificates from five to ten days.

This chapter originated in the Committee on Government Regulations.

Approved July 26, 1983

Chapter 405

AN ACT ESTABLISHING THE TOWN OF ARLINGTON SCHOLARSHIP

(S. 1930)

FUND

This chapter establishes a special Town of Arlington Scholarship Fund and provides for the opportunity for Arlington taxpayers to make contributions to this Fund on their municipal tax bills, including the motor vehicle excise bill. Taxpayers will be able to "check-off" a contribution each year. The Fund will be used to financially assist Arlington residents pursue an education beyond the secondary school level.

Approved October 7, 1983

Chapter 416

AN ACT RELATIVE TO THE ASSESSMENT OF PROPERTY TAX IN

(H 6655)

THE TOWN OF SPENCER

This chapter allows the town of Spencer to determine its fiscal year 1984 levy limit based on 102.5% of its fiscal year 1982 certified levy limit, provided that the total taxes assessed shall not exceed 2 1/2% of the full and fair cash valuation of the town.

Approved June 9, 1983

Chapter 464

AN ACT RELATIVE TO THE ASSESSMENT OF PROPERTY TAXES

(H.6658)

IN THE TOWN OF TISBURY.

This chapter allows the town of Tisbury to determine its fiscal year 1984 levy limit based on its certified levy limit for fiscal year 1983, provided that the total taxes assessed shall not exceed 2 1/2% of the full and fair cash valuation of the town.

Approved November 2, 1983

Chapter 466 AN ACT AUTHORIZING AN ADDITIONAL TIME PERIOD FOR THE CITY
(H.6636) OF BOSTON TO ADD OMITTED PROPERTY TO THE TAX LIST FOR FISCAL
YEAR NINETEEN HUNDRED AND EIGHTY-THREE.

This chapter allows the city of Boston to add parcels of property to the tax rolls for FY 1983. These properties were missed during a recent revaluation and in the interim period, the deadline allowing properties to be added to a tax list had expired.

Approved November 3, 1983

CHAPTER 468 AN ACT AUTHORIZING AN ADDITIONAL TIME PERIOD FOR THE
(H.6635) CITY OF BOSTON TO ACT ON TAX ABATEMENTS FOR FISCAL YEAR
NINETEEN HUNDRED AND EIGHTY-THREE.

This chapter extends the time for assessors in the city of Boston to consider applications for property tax abatements from three months from the time of filing to six months from the time of filing for fiscal year 1983.

Approved November, 1983

Chapter 489 AN ACT AUTHORIZING ESTIMATED TAX PAYMENTS FOR THE CITY OF
(H.6610) MALDEN FOR THE FIRST HALF OF FISCAL YEAR NINETEEN
HUNDRED AND EIGHTY-FOUR

This chapter authorizes the city of Malden to send out estimated tax bills for fiscal year 1984 not to exceed fifty percent of the tax payable during the preceding fiscal year. Estimated tax bills can be greater than fifty percent of the previous year's bill as a result of the loss of an exemption from tax that had been granted in the past. Any remedies or exemptions applicable from the date that the tax bill is issued shall be resolved, once the tax rate is certified. This special act for Malden is necessary because Malden is not undertaking a general revaluation, and hence, does not qualify to take advantage of the provisions of Chapter 11 of the Acts of 1983.

Approved November 14, 1983

Chapter 518 AN ACT EXTENDING THE TIME AVAILABLE FOR CERTAIN RESIDENTIAL
(H4304) TAX CREDIT FOR RENEWABLE ENERGY SYSTEMS

This chapter extends the renewable energy tax credit on a taxpayer's state income tax of \$1000 or 35% of the net expenditure for an additional two more years. The sales tax exemption on the purchase of a wood burning stove that has a retail value of more than \$900 is also extended. For the first time, this credit or exemption is available to tenants.

Approved November 23, 1983

Chapter 528 AN ACT RELATIVE TO THE ALLEVIATION OF CERTAIN FINANCIAL
(H. 6118) BURDENS IMPOSED ON THE CITY KNOWN AS THE TOWN OF METHUEN
BY THE FLOODING OF THE MARRIMACK RIVER ON MARCH TWENTIETH
THROUGH MARCH TWENTY THIRD, NINETEEN HUNDRED AND EIGHTY-
THREE.

This chapter provides for the funding of an additional \$50,000 from the Local Aid Fund for disaster flood relief to assist Methuen in meeting the expenses of public services. Secondly, this special act allows the assessors in Methuen to determine the valuation of property damaged or destroyed by the flood. Based on this determination abatements of taxes may be granted for the fiscal year 1983.

Approved December 6, 1983

Chapter 529 AN ACT AUTHORIZING AN ADDITIONAL TIME PERIOD FOR THE
(H. 6598) TOWN OF ORLEANS TO ADD OMITTED PROPERTY TO THE TAX
LIST FOR THE FISCAL YEAR NINETEEN HUNDRED AND EIGHTY-
THREE.

This chapter allows the town of Orleans to add parcels of property to the tax rolls for FY 1983. These properties were missed during a recent revaluation and in the interim period, the deadline allowing properties to be added to a tax list had expired

Approved December 6, 1983

Chapter 540 AN ACT FURTHER REGULATING THE OPERATION OF THE
(H.6330) MASSACHUSETTS TURNPIKE AUTHORITY.

This chapter permits cities and towns to assess a tax payable by the tenant operating a hazardous waste facility that is located on Massachusetts Turnpike Authority land.

Approved December 6, 1983

Chapter 579 AN ACT VALDATING CERTAIN ACTIONS TAKEN BY THE
(H.6742) CHARLEMONT SEWER DISTRICT.

This special act validates the assessments made in FY 1983 by the Charlemont Sewer District and also validates the tax rate, as if the District had received prior written approval from the Department of Revenue. All tax bills are validated for FY 1983.

Approved December 16, 1983

Chapter 580 AN ACT AUTHORIZING AN ADDITIONAL TIME PERIOD FOR THE
(H.6807) TOWN OF NORTH ATTLEBOROUGH TO ADD OMITTED PROPERTY
TO THE TAX LIST FOR FISCAL YEAR NINETEEN HUNDRED AND
EIGHTY-THREE.

This chapter allows North Attleborough to add parcels of property to the tax rolls for FY 1983. These properties were missed during a recent revaluation and in the interim period, the deadline allowing properties to be added to a tax list had expired.

Approved December 16, 1983

Chapter 611 AN ACT PROVIDING FOR A TAX EXPENDITURE BUDGET
(S.2235)

A tax expenditure budget will now be required annually to estimate all tax revenues forgone as a result of provisions of any general or special law which allows exemptions, deductions, exclusions from or credits allowed against the taxes imposed on income, corporations or sales. This chapter provides for the broadest possible definition for state "tax expenditures". The Commissioner has no discretion to determine the breadth of the term "tax expenditure". The first estimate of the state's tax expenditures is due on December 15.

Approved December 17, 1983

Chapter 639 AN ACT AUTHORIZING THE TOWN OF HOLDEN TO PERMIT THE
(H.6782) SUBMISSION OF AN APPLICATION FOR STATUTORY DEFERRAL OF
A CERTAIN BETTERMENT ASSESSMENT.

This chapter authorizes Holden to accept a late submission of an application by certain taxpayers for a statutory deferral of a betterment assessment.

Approved December 19, 1983

Chapter 640 AN ACT AUTHORIZING THE TOWN OF HOLDEN TO PERMIT THE LATE
(H.6783) SUBMISSION OF AN APPLICATION FOR STATUTORY DEFERRAL OF A
CERTAIN BETTERMENT ASSESSMENT.

This chapter authorizes Holden to accept a late submission of an application by a certain taxpayer for a statutory deferral of a betterment assessment.

Approved December 19, 1983

Chapter 641 AN ACT FURTHER REGULATING THE ASSESSMENT OF TAXES IN
(H.3375) CITIES AND TOWNS.

This chapter modifies a number of the provisions of Proposition 2 1/2. The changes are:

1. The law which allows a community to exclude old and new debt from the definition of "Total taxes assessed" is revised to allow such exclusions without reducing the base for calculation purposes, thereby granting more of a benefit to a community that votes to exclude debt. Prior to this revision, exclusion of debt by a community below 2 1/2 resulted in a lower base; thus, in following years, such a municipality did not necessarily benefit from this override of debt. (Section 1 and 4)
2. Any municipality that is currently capped at a level below 2 1/2 may now increase its levy limit to any amount, provided that its tax rate does not exceed \$25 per thousand. The municipality can accomplish this by utilizing the override mechanism provided by statute. Proposition 2 1/2 allows for an annual increase in the levy up to 102.5% of the prior year's amount, also a municipality can vote to override its limit and increase its levy up to 105% after attaining an affirmative majority vote of its electorate. With the passage of this chapter, a municipality capped below 2 1/2 can increase its levy limit by any amount it chooses, provided it does not exceed \$25 per thousand, by attaining the approval of 2/3 of those voting on the override question. (Section 1A and 1B)
3. The provision permitting a municipality to increase their annual limit by 2 1/2% over the preceding year is made more flexible by basing the new levy limit on the MAXIMUM LEVY LIMIT. The effect of this change is to allow a community the flexibility to lower taxes without locking itself into a permanently lower base (Section 2)
4. State ballots may now be used by municipalities for up to three override questions on Proposition 2 1/2. (Section 3)
5. The assessors on an annual basis will now be required to notify the board of selectmen, town council, or city council of the amount of certified free cash on hand, as of July first of each year. (Section 5)

Chapter 641 continued

6. A municipality which has cut more than was necessary in prior years, may go back to 1982 as a base year, and pick up any lost revenue, if it chooses in any year through FY 1986. (Section 5A)

Approved December 19, 1983

Chapter 644 AN ACT AUTHORIZING AN ADDITIONAL TIME PERIOD FOR THE TOWN
(H.6758) OF WARWICK TO ADD OMITTED PROPERTY TO THE TAX LIST FOR
FISCAL YEAR NINETEEN HUNDRED AND EIGHTY-THREE.

This chapter allows the town of Warwick to add parcels of property to the tax rolls for FY 83. These properties were missed during a recent revaluation and in the interim period, the deadline allowing properties to be added to a tax list had expired.

Approved December 20, 1983

Chapter 669 AN ACT ESTABLISHING THE NANTUCKET ISLANDS LAND BANK
(S.2187)

This chapter provides for the establishment of the Nantucket Islands Land Bank for the purpose of acquiring land needed by the public in the future for active and passive recreational uses. Funds for such acquisition will be generated through the imposition of a fee equal to two percent of the purchase price upon the transfer of any real property situated in Nantucket County. The purchaser is responsible for the payment of such fee. The act provides several exemptions from the fee. This chapter becomes effective upon its acceptance by vote of a town meeting of the town of Nantucket scheduled for February 1, 1984. It can be argued that this fee really constitutes a tax, since fees are assessed for governmental goods or services provided to the fee payer. This transfer fee bears no relationship to the cost of any service provided. This chapter originated in the Committee on Natural Resources and Agriculture.

Approved December 20, 1983

Chapter 670 AN ACT FURTHER REGULATING REAL ESTATE TAX EXEMPTIONS
(H 1394) OF HOUSES OF WORSHIP

This chapter amends clause 11, section 5 of chapter 59 which provides for property tax exemptions for houses of worship. This so called "parsonage exemption" is increased from \$100,000 of valuation to \$400,000, thereby adjusting to the effects of the implementation of 100% valuation. The purpose is to continue the viability of this longstanding religious property tax exemption. This chapter is not a local option.

Approved December 20, 1983

Chapter 674 AN ACT RELATIVE TO THE PROCEDURE FOR RECORDING OR FILING
(H.6765) FEDERAL TAX LIENS ON PERSONAL PROPERTY.

This chapter repeals section 5 of Chapter 278 of the Acts of 1983. The reason for the repeal is because chapter 278 would have transferred what had essentially been a federal function, created by a federal statute to the state. The state filing office would have been required to assume additional administrative responsibilities. In addition, substantial state funds would have to be allocated to process the notice.

Approved December 21, 1983

Chapter 681 AN ACT RELATIVE TO THE TAXATION OF CONCRETE MIXING UNITS
(H.3014)

This chapter provides for an exemption from the sales tax for the purchase of concrete mixing units or their replacement parts which are to be mounted on a truck chassis. The purchase of the truck chassis is not exempt from the sales tax.

Approved December 21, 1983

Chapter 693 AN ACT RELATIVE TO FUNDING FOR ORGAN DONATIONS
(H.6809)

This chapter provides for the establishment of a check-off on the individual state income tax form for taxpayers to voluntarily contribute to a special fund to provide financial assistance to any needy resident awaiting an organ transplant operation. The recipient must be without the financial resources or adequate medical insurance coverage to afford the costly medical procedures.

Beginning in the calendar tax year commencing on or after January 1, 1984, each taxpayer will have the opportunity to contribute from a tax refund due or choose to increase his or her tax liability in order to donate to this Fund.

This chapter provides for the establishment of an Organ Transplant Fund and all revenues credited to this Fund shall remain in the Fund and used solely to assist residents in paying for these medically required organ transplants.

Approved December 21, 1983

Chapter 709 AN ACT FURTHER REGULATING THE ASSESSMENT OF CERTAIN
(H.1022) FARMLAND

This chapter forces the assessors to accept the range of values of agricultural lands established by the Farmland Valuation Advisory Commission, unless the assessors can come up with solid reasons not to use them. In disputes the burden of proof is now on the assessors to convince the Appellate Tax Board that the Commission's determinations are not up to date or an accurate reflection of the value of the agricultural land.

Approved December 22, 1983

CHAPTER 719 AN ACT FURTHER REGULATING THE URBAN JOBS INCENTIVE
(H. 6813) BUREAU.

This chapter clarifies the problem surrounding the Attorney General's recent opinion as to the scope and applicability of the Urban Jobs Incentive Program. Certification and recertification as an area qualifying as an "eligible section of substantial poverty" is at the center of the problem. In one instance, the location of the firm's plant may no longer qualify as a poverty area, or the firm may no longer employ 20% of its workforce from the poverty area and could possibly have its eligibility threatened due to the strict interpretation of the A.G. That opinion greatly restricts the continuing eligibility and qualification requirements for some firms that have already taken advantage of the UJIB program. This chapter effectively grandfathers-in firms that qualified for UJIB in the past under a different set of ground rules. These firms can now continue to qualify until their 10 year cycle expires.

Approved January 10, 1984

